

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Firm-Fixed-Price		Page 1 Of 11	
2. Amendment/Modification No.  P00003		3. Effective Date  2007JUL03		4. Requisition/Purchase Req No.  SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By U.S. ARMY TACOM LCMC AMSTA-AQ-ATBB JAMES HILL (586)574-7572 WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL  EMAIL: JAMES.W.HILL2@US.ARMY.MIL		Code W56HZV		7. Administered By (If other than Item 6) DCMA STEWART & STEVENSON SEALY P.O. BOX 457 SEALY, TX 77474-0457  SCD A PAS NONE ADP PT HQ0339		Code S4807A	
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)  STEWART & STEVENSON TACTICAL VEHICLE SYSTEMS, LP 5000 I-10 WEST SEALY, TX 77474-9506  TYPE BUSINESS: Large Business Performing in U.S.				<input type="checkbox"/>		9A. Amendment Of Solicitation No.	
				<input type="checkbox"/>		9B. Dated (See Item 11)	
				<input checked="" type="checkbox"/>		10A. Modification Of Contract/Order No. W56HZV-06-D-0345	
				<input type="checkbox"/>		10B. Dated (See Item 13) 2006SEP27	
Code 0FW39		Facility Code					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA							
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.							
KIND MOD CODE: G							
<input type="checkbox"/> A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.							
<input type="checkbox"/> B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).							
<input checked="" type="checkbox"/> C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: Mutual Agreement							
<input type="checkbox"/> D. Other (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  SEE SECOND PAGE FOR DESCRIPTION							
Contract Expiration Date: 2008SEP30							
Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print) JAMES G. VICTOR JAMES.VICTOR@US.ARMY.MIL (586)574-6506			
15B. Contractor/Offeror  (Signature of person authorized to sign)		15C. Date Signed		16B. United States Of America  By _____ /SIGNED/ (Signature of Contracting Officer)		16C. Date Signed  2007JUL03	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

<p align="center"><b>CONTINUATION SHEET</b></p>	<p align="center"><b>Reference No. of Document Being Continued</b></p> <p align="center"><b>PIIN/SIIN</b> W56HZV-06-D-0345      <b>MOD/AMD</b> P00003</p>	<p align="center"><b>Page</b> 2 <b>of</b> 11</p>
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**Name of Offeror or Contractor:** STEWART & STEVENSON TACTICAL VEHICLE SYSTEMS, LP

SECTION A - SUPPLEMENTAL INFORMATION

1. The purpose of modification P00003 is to extend the delivery schedule in exchange for consideration in the form of funds spent in attempt to correct delinquencies. This modification will also redefine "induction" by making the following changes (all text changes are followed by a single asterisk, unless the change is to a SLIN narrative):

a. Section C, paragraph C.1.1.1, change the text

From: "C.1.1.1. Contract Performance and Duration: Each vehicle shall be processed and rebuilt within 100 days from the date of receipt at the contractors facility, to the date of Government acceptance of the vehicle following rebuild. The duration of the contract istwo years from the date of award plus a one year option period."

To: "C.1.1.1. Contract Performance and Duration: Each vehicle shall be processed and rebuilt within the specified calendar days from the first business day after the issuance of an induction notice (see C.1.5.1) to the date of Government acceptance of the vehicle following rebuild as listed below. The duration of the contract is two years from the date of award plus a one year option period. If the due date falls on a weekend, then the due date will default to the next government business day at RRAD. If the due date falls on a government holiday or RRAD shutdown, the 100 or 156 day cycle will stop during the break and resume on the next government business day at RRAD.

<u>Inducted Vehicle No.s</u>	<u>Calendar Days to Government Acceptance</u>
1 to 53	100
54 to 200	156
201 +	100"

b. Section C, paragraph C.1.4., change the text

From : "C.1.4. Vehicle Receipt: Vehicles will be shipped by the Government to RRAD. The Government shall notify the Contractor of incoming vehicles by serial number prior to the vehicles arrival. Upon receipt, the vehicle chassis and mounted equipment shall be recorded by model number and serial number, and be thoroughly inspected by the contractor, RRAD, and a local DCMA Quality Assurance Representative (QAR). If a vehicle is received at RRAD without prior notification, the contractor shall notify the COR who will provide direction within three (3) working days regarding the disposition of the vehicle."

To: C.1.4. Vehicle Receipt: Vehicles will be shipped by the Government to RRAD. The Government shall notify the Contractor of incoming vehicles by serial number prior to the vehicle's induction. Vehicles received but not yet inducted shall be inspected by the contractor and a local DCMA Quality Assurance Representative for planning purposes and may be classified as an induction candidate. If a vehicle is received at RRAD without prior notification, the contractor shall notify the COR who will provide direction within three (3) working days regarding the disposition of the vehicle.

c. Section C, paragraph C.1.5, change the text

From: "C.1.5. Inspection and Teardown: The inspection, as set forth in C.1.4, shall be conducted jointly by the Contractor, RRAD and a Government inspector. The vehicle is considered inducted at the time the vehicle is inserted into RESET production line, following the joint inspection between TVS, RRAD and the Government inspector. The Induction start date may be readjusted in circumstances where an owning units vehicle will take priority over surplus vehicles that have been inducted from the assets being stored at RRAD."

To: "C.1.5. Induction, Inspection and Teardown: The COR shall decide on the specific vehicles to be inducted, on a monthly basis, at a rate not to exceed those specified in paragraph C.12. A vehicle is considered inducted upon written notification from the COR. An email message to the contractor is considered to be written notification. Upon induction, the vehicle chassis and mounted equipment shall be recorded by model number and serial number. An Induction date may be readjusted in circumstances where an owning units vehicle will take priority over surplus vehicles that have been inducted from the assets being stored at RRAD."

d. Section C, paragraph C.1.5.: renumber as C.1.5.1.

e. Section C, paragraph C.12, change the text

From: "Induction of Vehicles. Vehicles may be inducted at RRAD at the following rates:

<u>DAC</u>	<u>Maximum Induction Quantity (per week)</u>
0 - 40	0
41 - 47	1

48 - 54	1
55 - 61	4
62 - 68	4
69 +	8 "

To: "Induction of Vehicles. Vehicles may be inducted at RRAD at the following rates:

<u>DAC</u>	<u>Maximum Induction Quantity (per week)</u>
0 - 40	0
41 - 47	1
48 - 54	1
55 - 61	4
62 - 68	4
 <u>DAC</u>	 <u>Induction Quantity (per RRAD business day)</u>
69 +	2 "

2. In exchange for this delivery schedule extention the contractor agrees to waive any and all claims for reimbursement for costs it may have incurred as the result of delays or any other performance issues on the part of Red River Army Depot or its employees, that may be attributable to the Government.
3. All other terms and conditions of the contract remain unchanged.

\*\*\* END OF NARRATIVE A0003 \*\*\*

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SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1. General: SCOPE OF WORK

This scope of work covers the rebuilding of the Family of Medium Tactical Vehicles (FMTV A0 and A1 configurations). For purposes of this contract, the Family of Medium Tactical Vehicles (FMTV) includes the LMTV 2.5 ton and MTV 5 ton vehicles. The overall objective of this program is to rebuild the vehicles to Condition Code A (like new) + 3D level. No FMTV Vehicles purchased under Contract DAAE07-03-C-S023 will be RESET under this contract.

C.1.1. Contract Requirements: The contractor shall rebuild FMTV Vehicles to Condition Code A, which is defined as new, used, repaired, or reconditioned material that is serviceable and issuable to all customers without limitation or restriction. Except as otherwise specified in this SOW, the performance of the vehicles shall satisfy the Vehicle Specifications ATPD 2131 dated 17 Dec 1996 and ATPD 2131A dated 07 May 1998, (currently in the Contractors possession) and the A0 or A1 Technical Data Package (TDP) dated 31 Aug 05. No A1 Rebuy technology is to be inserted during the rebuild process.

\* C.1.1.1. Contract Performance and Duration: Each vehicle shall be processed and rebuilt within the specified calendar days from the first business day after the issuance of an induction notice (see C.1.5.1) to the date of Government acceptance of the vehicle following rebuild as listed below. The duration of the contract is two years from the date of award plus a one year option period. If the due date falls on a weekend, then the due date will default to the next government business day at RRAD. If the due date falls on a government holiday or RRAD shutdown, the 100 or 156 day cycle will stop during the break and resume on the next government business day at RRAD.

	Calendar Days to
<u>Inducted Vehicle No.s</u>	<u>Government Acceptance</u>
* 1 to 53	100
* 54 to 200	156
* 201 +	100

C.1.1.2 Location of Performance: Performance of all vehicle repair work, except for the cabs, shall be performed at Red River Army Depot (RRAD), which shall be a subcontractor to the Contractor. The Contractor shall furnish new or refurbished cabs to RRAD (see paragraphs C.2.6. and H.2.). If RRAD is unable to perform (quality and schedule) and the parties agree a revision to the location of performance is required to meet contractual delivery schedules, the parties will enter into discussions regarding an equitable adjustment to this contract.

C.1.2. Configuration Management: The Contractor shall implement best commercial practice configuration control methods and procedures to accomplish the functions of configuration identification, configuration control, configuration status accounting, and configuration data management. Contractor format for records and reports is acceptable.

C.1.2.1 The Contractor shall utilize the most current (A0) TM 9-2320-365-34; (A0) TM 9-2320-366-34; EM0195. (TMs are currently in the Contractor's possession) for the purpose of rebuilding the vehicles. All A0 models will be rebuilt to the latest configuration depicted in the FMTV A0 TDP, except for any deviation from the TDP that is necessary to accommodate replacement of obsolete and/or unavailable parts, documented per C.1.2.3. All A1 models will be rebuilt to the configuration depicted in the FMTV A1 TDP that was in effect at the time it was originally built, except when it is more cost effective to replace parts, or it is necessary to accommodate replacement of obsolete and/or unavailable parts documented per C.1.2.3.

C.1.2.2. Rebuilt vehicles must meet the performance requirements of ATPD 2131 for A0 vehicles, and ATPD 2131A for A1 vehicles.

C.1.2.3 If, during the rebuild process, the Contractor determines that the parts identified in either the A0 or A1 TDP are obsolete or cost ineffective, the Contractor shall prepare and submit a Request for Deviation (RFD) to document any proposed changes to the A0/A1 TDP. These RFDs will be prepared and submitted in accordance with the requirements of CDRL A001, DI-CMAN-80640C and the instructions provided at Attachment 1. The Government shall provide a response within five (5) working days, or provide a day for day extension to the time schedule.

C.1.3. Applicable Vehicle Configurations: Each vehicle shall be rebuilt to its original configuration, with the exception of parts that have been deemed obsolete, unavailable or cost ineffective, and replaced in the TDP consistent with the requirements of C.1.2.3.

LMTV

M1078 Cargo  
M1081 Cargo LVAD  
M1079 Van  
M1078A1 Cargo  
M1079A1 Van

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MTV

M1083 Cargo  
M1093 Cargo LVAD  
M1084 Cargo W/MHE  
M1088 Tractor  
M1089 Wrecker  
M1090 Dump  
M1094 Dump LVAD  
M1086 Cargo LWB W/MHE  
M1083A1 Cargo  
M1084A1 Cargo W/MHE  
M1088A1 Tractor  
M1089A1 Wrecker  
M1086A1 Cargo LWB W/MHE  
M1085A1 Cargo LWB  
M1090A1 Dump

\* C.1.4. Vehicle Receipt: Vehicles will be shipped by the Government to RRAD. The Government shall notify the Contractor of incoming vehicles by serial number prior to the vehicles induction. Vehicles received but not yet inducted shall be inspected by the contractor and a local DCMA Quality Assurance Representative for planning purposes and may be classified as an induction candidate. If a vehicle is received at RRAD without prior notification, the contractor shall notify the COR who will provide direction within three (3) working days regarding the disposition of the vehicle.

\* C.1.5. Induction, Inspection and Teardown: Induction, Inspection and Teardown: The COR shall decide on the specific vehicles to be inducted, on a monthly basis, at a rate not to exceed those specified in paragraph C.1.2. A vehicle is considered inducted upon written notification from the COR. An email message to the contractor is considered to be written notification. Upon induction, the vehicle chassis and mounted equipment shall be recorded by model number and serial number. An Induction date may be readjusted in circumstances where an owning units vehicle will take priority over surplus vehicles that have been inducted from the assets being stored at RRAD.

\* C.1.5.1. A detailed "Receiving/Inspection Report (CDRL A002), in the Contractors format, verified and signed by the local DCMA QAR, shall remain on file with the Contractor and shall be available for a period of five years after contract closeout. General condition of the vehicle, including all missing, damaged, destroyed, or non-standard components shall be notated and recorded on the Receiving/Inspection Report. If the contractor determines that a vehicle is not capable of being rebuilt the Contractor shall advise the TACOM PCO and obtain PCO concurrence before disposal.

C.1.5.2. Kits: Any vehicle received with a complete approved supplemental kit in accordance with C.1.2.2, including but not limited to, machine gun ring mount kit, digitization kit and tow pintle kit, shall be annotated in the inspection record and reinstalled upon the vehicle. If a vehicle is received with an incomplete approved supplemental kit, the kit shall be removed from the vehicle and scrapped.

C.1.5.3. Troop Seat Kits: Troop Seat Kits shall be repaired or replaced as required.

C.1.5.4. Non-Standard Items: Non-standard items found on incoming vehicles shall be annotated on the inspection record. Disposition instructions for non-standard items shall be provided by the PCO within 30 days of notification.

C.2. Vehicle Rebuild Requirements: The Contractor shall bring the vehicle up to Condition Code A as defined in paragraph C.1.1. The Contractor shall maintain the configuration as defined in C.1.2.1, for each vehicle presented for rebuild. No new technology shall be incorporated into the rebuild process unless a part has become obsolete, unavailable or cost ineffective, or as directed by the PCO. Any new technology will be incorporated as a separate line in the contract. Components shall be rebuilt, not replaced, to the maximum extent possible, unless replacement is more cost effective. The Contractor shall summarize the material and labor performed on each vehicle on a rebuild summary checklist, developed in contractor format (CDRL A003). The Contractor shall perform the following tasks on all vehicles in the rebuild process:

C.2.1. Frame Assembly: The frame assembly shall be cleaned to a degree that allows for a thorough inspection. All components shall be removed except for cross members, fender braces, gussets, miscellaneous clamps, brackets and related hardware, unless evidence of Stage 2 or greater corrosion exists in the immediate area. The Contractor shall inspect each frame for signs of corrosion, permanent torsional or longitudinal warping, excessive twisting and deflection due to bending, and for both vertical and longitudinal cracks. The contractor shall overhaul, or replace each frame assembly to the extent necessary to ensure frames are corrosion free, and there is no permanent damage to any portion of the frame assembly. When a vehicle requires frame rail replacement and has 60KSI frame rails, both frame rails shall be replaced with 110KSI frame rails. The Contractor shall repair or replace all worn or damaged brackets, mounts and assembly components that cannot be repaired or rebuilt.

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C.2.2. Axles: The Contractor shall disassemble all axles, including the differential sub-assemblies, and rebuild or replace to the axle OEM specifications.

C.2.3. Truck Engines and Accessories: The engine and engine accessories shall be rebuilt to NMWR 9-2815-272, or replaced with a current production model. The Contractor shall replace, not repair, cracked engine blocks or heads.

C.2.4. Starters and Alternators: All starters and alternators shall be rebuilt in accordance with C.1.2.1, to the original or latest configuration, or replaced in accordance with the current production configuration, with the exception of any Delco Starter, which shall be replaced with compatible current production starter.

C.2.5. Transmission and Transfer Case: The transmission and all accessories shall be rebuilt to NMWR 9-2520-580 specifications, or replaced with compatible transmissions and accessories.

C.2.6. Truck Cab and Components: The Contractor shall rebuild or replace the cab and components in accordance with in accordance with C.1.2.1. The contractor shall notify the Government of the need replacement cabs, and, if available, the Government shall provide used, structurally sound, GFM Cabs. If GFM assets are not available, the contractor shall replace cabs with new cabs. The Government recognizes that the LVAD cab is a long lead item that may take more than 100 days to acquire. Under certain circumstances, the Government may provide LVAD cabs as GFM. The Contractor shall notify the PCO and obtain dispositions instructions when an incoming inspection indicates that an LVAD cab requires replacement.

C.2.7. Cargo Bodies and Stowage Boxes: The Contractor shall rebuild or replace the cargo body and stowage boxes in accordance with C.1.2.1. Unnecessary holes shall be plugged, patched or re-drilled to standard.

C.2.8. Radiators: The radiator shall be rebuilt, or replaced as necessary, in accordance with C.1.2.1.

C.2.9. Driveline Components: The Contractor shall inspect and repair or replace driveline components in accordance with C.1.2.1.

C.2.10. Hydraulic Pumps and Power Take-Offs (PTOs): The Contractor shall rebuild or replace the PTO IAW OEM (DANA Corp.) When an OEM rebuild kit is available, all applicable components of the rebuild kit shall be installed. The hydraulic relief valve shall be tested for proper operation. The valves shall be replaced if they fail to meet OEM specifications.

C.2.11. Lights: Incandescent light assemblies shall be upgraded with LED lights on all vehicles.

C.2.12. Brakes: The brake system shall be inspected and repaired or replaced as necessary, in accordance with C.1.2.1.

C.2.13. Winches and Cranes: The Contractor shall inspect and repair or replace all winches and cranes and associated components as necessary, in accordance with C.1.2.1. The Contractor shall perform Load Testing and Crane Certification as specified in Annex E of SCN 001 to ATPD dated 020328, included as Attachment A011.

C.2.14. Troop Seats: The Contractor shall repair or replace the troop seats in accordance with C.1.2.1.

C.2.15. Final Paint: All vehicles shall be painted in the same exterior color as received. The cab interior color shall be green or shall be repainted green if necessary.

C.2.16. Tires: Tires shall be replaced if tire wear exceeds 50%, if there is any visible damage, or if dry rot exists, in accordance with RESET Tire Replacement Criteria MFE7417 dated 7 June 2004.

C.2.17. Kits: If the cost of individual replacement parts exceeds the overall price of the kit, a new kit shall be installed.

C.2.18. Electrical Components: The Contractor shall inspect all electrical components and wiring and repair or replace as necessary, in accordance with C.1.2.1.

C.2.19. Mandatory Replacement Parts: The following parts shall be replaced on every rebuilt vehicle:

- Wiper blades.
- Ether Start Bottle.
- All filter elements.
- Fasteners and fittings removed during the rebuild process.
- Air and all non-metallic hoses
- All drive belts.
- All fluids.
- Batteries and battery cables
- Seals
- Universal joints
- Brake shoes

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- Air dryers
- Standard bulbs
- Delco starters
- O rings
- Odometers
- Hydraulic fittings, hoses, fluids & quick disconnects
- Shock Absorbers
- Power Steering Pump
- Air Compressor
- Basic Issue Items, unless otherwise advised by PCO
- Cab Air Bags
- Cab Power Unit
- Latch, Cab Latch
- Magnetic Speed Sensor
- Seats
- Defroster Cover
- Heater/Guard Assembly
- Safety Belts

C.2.20. Retrofit: The Contractor shall retrofit all rebuilt vehicles with applicable HAC upgrades if they have not already been incorporated onto vehicles prior to receipt, under contract DAAE07-00-C-S069. All vehicles shall be retrofitted with GFE EMI Jumper Cable.

C.2.21. Maintenance Work Order (MWO): The Contractor shall apply MWO 2320-313-55-1 to all M1088 tractors presented for rebuild with S/Ns lower than 14482 that have not had this MWO applied. The Contractor shall also apply Wrecker Pin Kit, P/N 57K2048 to all wreckers presented for rebuild. Part number P-564-010026 (knuckle) may be repaired or replaced in accordance with C.1.2.1. The parts for the application of the MWO shall be provided by the Government as GFE.

C.2.22. Safety and Product Recalls: The Contractor, at its own expense, shall inspect each engine HEUI Line, CAT Inlet Heater Relay, and CAT Rivet and correct any defective incorrect installations and/or replace any missing hardware identified at no additional cost to the Government.

C.2.23. Preventive Maintenance Checks and Services (PMCS): The Contractor shall perform all annual -10 and -20 PMCS procedures during the rebuild process and annotate PMCS performed on the rebuild summary checklist. PCMS procedures performed shall be in accordance with Rev. 1 to the IETM for the A1 configuration, and Change 2 to the TM9-2320-365 and TM9-2320-366 Series for the A0 configuration.

#### C.3. FMTV RESET WARRANTY (PARTS ONLY)

C.3.1. Hand-Off Warranty: Notwithstanding inspection and acceptance by the Government of the rebuilt vehicles and services provided under this RESET contract or any other provision of this contract concerning the conclusiveness thereof, the Contractor hereby warrants that the vehicles conform to the performance and manufacturing requirements specifically delineated in this contract and the specifications referenced therein, and will conform to the performance requirements defined in the appropriate ATPD. The warranty is the same for CONUS and OCONUS. Under this warranty, the Contractor shall be liable for the correction of all failures/defects discovered following final acceptance (DD250) of the vehicles up to and including vehicle hand-off to the user (soldier), as evidenced by entry into the users (soldiers) hand receipt or property book. The Contractor shall provide repair parts. All labor to correct hand-off defects will be performed by the Government or the Governments representative. The Contractor shall not be responsible for transportation damage.

C.3.2. Material and Workmanship Warranty: Notwithstanding inspection and acceptance by the Government of the rebuilt vehicles furnished under this contract, or any clause concerning the conclusiveness thereof, the Contractor warrants that the rebuilt vehicles will be free from defects in material and workmanship and will conform to the requirements of this contract for the duration of 13 months following the shipment of the rebuilt vehicle from the Contractors facility. This 13 month warranty shall automatically begin if rebuilt vehicles are shipped in place at RRAD longer than three (3) months. This warranty covers the complete vehicle, parts only, except for accident damage, misuse, alterations, damage due to lack of maintenance or use of fluids/lubricants not recommended, and except for normal maintenance and scheduled service items such as filters, screens, fluids, windshield wipers and brake shoes. Additionally, no warranty claims shall be submitted for less than \$300.00 total value (parts only). The warranty is the same for both CONUS and OCONUS.

C.3.3 Government Correction: The Government will perform corrective actions/repairs for warranted components. The Contractor shall ship replacement parts in support of Government corrective actions within three (3) working days of notification. If the Contractor is unable to meet the three (3) working day requirement, the site will be notified of any delay and the anticipated Contractor ship date. CONUS requirements will be shipped to the repair location, including Alaska and Hawaii. OCONUS requirements will be shipped to a Government provided APO or CONUS Port of Embarkation. The Contractor will not be responsible for any damages or losses occurring during transportation after receipt of components at the U. S. Postal Service or CONUS Port of Embarkation.

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C.3.4 Notification: When a rebuilt vehicle is returned to its unit, written notification, which includes electronic mail of a hand-off warranty claim, will be provided to the Contractor by the PCO, or the PCOs authorized representative, which may be the owning unit personnel and/or a Government fielding support Contractor. This notification shall constitute the formal warranty claim.

For Material and Workmanship warranties, the Contractor shall be notified of warranty claims by an authorized Government official or the Governments representative in writing, which includes electronic mail. Such written notification starts the performance period for the Contractor shipment of parts.

The notification for Hand-off and Material and Workmanship warranties shall include, but not necessarily be limited to: applicable equipment serial number, mileage, defective part number or NSN, replacement part number(s) or NSN(s) required to complete repairs, circumstances surrounding the failure of or defect, detected in the part, point of contact, commercial telephone number, email address, shipping address.

C.3.5 Contractor Rights and Remedies: The Contractor has the right to inspect parts found to be defective under the Hand-Off and Material and Workmanship warranties. The Contractor will be allowed to take possession of failed parts following their replacement upon request as long as such request is made by the Contractor within thirty (30) days of shipment of the replacement part(s). All such parts which the Contractor takes into possession will be identified by the Contractor with all the information necessary to later identify the vehicle from which the part was removed and the associated mileage at time of removal. All freight charges for the return of defective/failed parts released to the Field Service Representative or otherwise returned are the responsibility of the Contractor.

C.3.6 Warranty Data-Base: The Contractor shall maintain a warranty data base that captures the following information: warranty claim number, customer claim number, date of customer claim, customer location, equipment serial number, operating miles on the equipment, part numbers or National Stock Numbers of the defective supplies, the circumstances surrounding the defect, denied claims, and the date the claim is closed. The Contractor shall provide the Government with the above mentioned data in electronic Excel spreadsheet format IAW CDRL A004. Each delivery of the report shall be cumulative.

C.3.7 Warranty Technical Bulletin: The Contractor shall develop a Warranty Technical Bulletin in accordance with MIL-PRF-63034B IAW CDRL A005.

C.3.8 Invalid Warranty Claims: When analysis of failed parts reveals no defect/failure or a defect/failure outside the terms of this clause, the Contractor is entitled to reimbursement by the Government of the cost of the failed part and any related shipping expense.

C.3.9 Any failed component covered by a warranty under contract DAAE07-98-C-M005 shall be replaced under that contract, at no cost to the Government.

C.4. Scrap:  
Surplus/Excess: Except for cabs, components or material removed from vehicles, that are no longer usable, including the crates that used cabs are delivered in, shall be declared scrap and title shall transfer to the Contractor to be disposed of; utilizing the Contractor's approved standard scrap disposition procedures. As directed by the PCO, scrapped vehicles will be disposed of at the DRMO facility, RRAD. Upon Government approval, usable material may be removed from scrapped vehicles, including for use on other RESET vehicles. The contractor may also remove material from battle damaged cabs prior to being sent to DRMO. At no additional cost to the Government the contractor shall turn in battle damaged cabs to the DRMO facility at RRAD. C.5. Quality Assurance:

C.5.1. Quality Policy: The Contractor shall have a documented quality program that as a minimum, meets the requirements of ISO 9001-2000 or equivalent. All work to be performed within the scope of this SOW shall be conducted by qualified personnel in accordance with an approved Quality Control Plan (QCP). If work cannot be accomplished as described by the QCP or would result in defective product, all work shall be stopped and not resumed until the QCP is amended to reflect the appropriate work practice.

C.5.2. Audits: Internal quality audits for this contract project shall be performed by qualified auditors in accordance with paragraph, 8.2.2 of ISO 9001-2000 or equivalent.

C.5.3. Quality Planning: For the purpose of this contract the Contractor shall develop and document a control plan that defines:

- a. Inspections to be performed prior to and after receipt of vehicle,
- b. Quality objectives to be obtained through the rebuild process,
- c. Process charts that describe the process flow,
- d. Inspection and test activities specific to the RESET program,
- e. Criteria for product acceptance.
- f. Documented work instructions that detail specific tasks, this shall include but is not limited to:
  - 1. In-process Quality (QCI) monitoring and measurement of processes and product
  - 2. Specifications and standards that directly effect product quality



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3. Painting
4. Welding
5. Training
6. Control of non-conforming product
7. Unique Customer requirements

C.5.4. Quality Records: The contractor shall establish and maintain records that are legible and identifiable to this contract. Such records shall be filed and indexed in a logical fashion that will allow for easy and timely retrieval. QA records may include:

- |                                    |                              |
|------------------------------------|------------------------------|
| - Quality work plans and revisions | - Qualification and training |
| - Analysis records                 | - Software records           |
| - Review documentation             | - Inspection documentation   |
| - Final deliverable reports        | - Results of internal audits |

All records of inspection, examinations, certifications, tests, supplier audits, and purchase orders shall be retained by the contractor for a period of five years after contract close out. These records shall be made available to the Government upon request. In addition, where product or process deficiencies have occurred, the contractors records shall provide documentation that fully describes the root cause of deficiencies and corrective actions taken.

C.5.5. Identification and Resolution of Conditions Adverse to Quality: A condition adverse to quality shall be identified when a requirement of the control plan or the TDP is not met or when workmanship is considered suspect. Such conditions shall be documented and reported in accordance to the contractors approved deficiency reporting system. The contractors Lead Quality Assurance representative shall determine if the adverse condition is significant enough to initiate a stop work order. If a stop work order is initiated the Lead QA representative will notify the contractors Project Leader and appropriate Government Quality Assurance Representative. A significant condition is one that if left uncorrected could have a serious effect on mission capability or public safety. For all conditions that are adverse to quality, including significant conditions, the contractors Project Leader shall ensure that a team is assembled to perform an investigation to determine the extent and impact of the condition, take appropriate remedial action, determine root cause and take action to prevent recurrence of the condition. The contractors QA Lead shall notify the Government QA representative who shall either concur or non-concur with the proposed short term and long term corrective action. Corrective actions shall be closed in a timely manner, not to exceed 30 days and verified by the designated Government QA representative.

C.6.6. Welding: The contractor and or supplier may utilize their current documented welding program. As a minimum the contractor and or supplier must provide, the name of the welding process to be utilized, the quality requirements used for managing all aspects of the welding process, a clear definition of the weld inspection criteria, including frequency and depth of inspections and all other documentation pertinent for controlling the welding program. The Contractor shall also identify the guidelines utilized for qualifying welding processes and personnel. The contractor shall submit this information for Government review and approval prior to performing welding operations for the contract. If the Contractor previously qualified welding procedures under another DoD contract, the PCO may waive the requirements of this clause. The Contractor must submit such a request to the PCO in writing, identifying the previous contract(s) under which the Contractor qualified procedures that produced acceptable workmanship specimens. The Contractor may use previously qualified weld procedures provided ALL the following requirements are met:

- a. The weld procedure was qualified and approved on a previous DoD contract
- b. The Contractor has certified welders and equipment
- c. There was no break in production for more than six months
- d. A favorable quality history

C.6.6.1. Welding Inspection: For the purpose of this contract, weld quality and workmanship shall be verified by qualified personnel trained to perform all aspects of weld inspections. Acceptable training may be based on current or previous certification as an AWS Certified Welding Inspector; current or previous qualification by the Canadian Welding Bureau (CWB); or an engineer or technician by formal training or experience, in metals fabrication, inspection and testing, and is competent in the use of weld inspection techniques/equipment.

C.6.6.2. Weld Acceptance: Visual inspection and acceptance for non-ballistic applications shall be performed in accordance to the following weld codes:

- a. AWS D1.1 Structural Welding Code, Steel
- b. AWS D1.2 Structural Welding Code, Aluminum

C.6.6.3. Surface Treatment and Finish Requirements:

All exterior and interior painting operations shall be IAW TACOM drawing 12420325. In addition, the contractor shall develop a rebuild finishing procedure that describes the methods used for removing grease, dirt, soils and other contaminants including corrosion, and the repair of those components that exhibit corrosion induced pin holes and reduced metal thicknesses. The finishing procedure shall be submitted to the Government for review and approval prior to starting work.

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C.6.6.4. Final Inspection Record: Each vehicle that has been rebuilt under this contract shall be subjected to a complete final inspection by the contractor utilizing a contractor prepared, Government approved FIR. The rebuilt vehicles shall also be subjected to the testing specified in the approved FIR. Deficiencies disclosed during the contractors Final Inspection and Test shall be documented on the contractors deficiency sheet and included as part of the FIR prior to offering the rebuilt vehicle for Government Acceptance. The contractor shall also provide failure analysis and the corrective action taken to eliminate the root cause of noted deficiencies. The FIR shall be updated to reflect all manufacturing and engineering changes that impact the FIR and/or the final inspection process (CDRL A001).

C.7. Written Damage Report: The Contractor shall prepare a written report in Contractor format that addresses the impact of damage for each fleet of systems LTV 2.5 ton (A0 and A1) and MTV 5 ton (A0 and A1) IAW CDRL A007. The reports shall include the model number, serial number and mileage for each vehicle evaluated, and trend data on types of damage identified during the rebuild process as a result of high vehicle usage and environmental conditions in Southwest Asia.

C.8. Meetings and Briefings: The contractor shall provide updates on the project monthly via VTC during the FMTV Program Management Review.

C.9. Access to DoD Supply System

C.9.1 Access to the DoD supply system is permitted through the PCO and the Product Support Integration Directorate (PSID). However, the government bears no responsibility for an impact to the RESET Program resulting from untimely delivery of a part, delivery of the wrong configuration of a part or delivery of a broken part. The PSID will establish a required delivery date of 10 days from the date the contractor's check is received for a TACOM managed item or items. The contractor will acknowledge receipt of shipments from the supply system within 2 days of the delivery date (notify Mr. Robert McLatchie, Email address: [mclatchr@tacom.army.mil](mailto:mclatchr@tacom.army.mil))

C.9.2 The contractor shall attempt to order items through their vendor base before requisitioning the Government Supply System.

C.9.3 Contractor shall process Quality Deficiency Reports (QDRs) for all defective items ordered thorough the PSID and received from the Government Supply System. The Government will investigate accordingly to determine if repair, replacement or a refund is warranted. When items are rejected and returned to the supply system, the following information should be provided to the TACOM PSID (Mr. Robert McLatchie, Email address: [mclatchr@tacom.army.mil](mailto:mclatchr@tacom.army.mil): quantities, document numbers, condition codes, reason the part was returned, depot the parts were returned to, and the dates the items were shipped back.

C.9.4 At the time of contract award, the contractor shall provide a listing of all required Government managed parts in the format set forth below. The listing will be provided to the PCO. The listing will be updated on a quarterly basis until all material requirements have been satisfied.

Description _____	Due To Stock _____
Unit of Issue _____	Quantity _____ NSN _____ Item _____

C.10. Red River Army Depot (RRAD) Statement: Under the authority of 10 U.S.C. 2474, Red River Army Depot (RRAD) is the Army's Center for Industrial and Technical Excellence for Tactical Wheeled Vehicles and is available and authorized to serve as a subcontractor to Stewart and Stevenson Tactical Vehicle System, LP for the FMTV program.

C.11 Corrosion Protection Compound:

C.11.1 When required by the Government, Carwell Rust Inhibitor T-32 (CP90) shall be applied.

C.11.2 The salient physical, functional, or performance characteristic specified for the Carwell Rust Inhibitor T-32 (CP90) is as follows:

C.11.3 If an alternate product is proposed, the product should possess the following attributes:

- a) Should be petroleum based product that controls corrosion on metal.
- b) Should not harm painted surfaces, CARC painted surfaces, rubber, plastic, glass.
- c) Should be non-flammable and not contain any silicones, solvents, CFC's or any other material classified as hazardous under OSHA Regulation 29CFAR19-10.1200.
- d) Should Lubricate moving parts and penetrate existing corrosion, seams and cervices.
- e) Should have no VOC's as prescribed by EPA 8021 procedure.
- f) Can be applied directly on existing corrosion.
- g) Can be applied directly on electrical wiring and connectors and directly on batteries and battery posts without affecting voltage.

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C.11.4 The following criteria and testing should be used and proof submitted of compliance:

- a) The product should demonstrate 90% retardation of corrosion when tested in accordance with a modified GM9540P. The modifications are that the length of the test should be 80 cycles, and actual military doors from 5 ton vehicles should be used for the evaluation.
- b) The product should demonstrate the ability to control corrosion and keep working mechanisms functioning on complete 5 ton doors exposed to a coastal corrosion environment at TACOM corrosion test site at Cape Canaveral, or an equivalent site.
- c) The appearance of a CARC painted surface after the product has been applied should be within JR specifications MIL-C-46168D paragraph 3.3 and comply with the DS2 Resistance MIL-C-46168D paragraph 3.6.13.
- d) The conductivity should not be greater than 0.2 umhos/cm at 20 degrees (C).
- e) Rust Inhibitor must be a unique blend of rust inhibitors to control corrosion on all metals. It must eliminate moisture containing salt, dirt, and air pollutants from the surface of metal to give long lasting protection. It shall also lubricate moving parts and must be an excellent penetrant even through existing rust.

\* C.12 Induction of Vehicles. Vehicles may be inducted at RRAD at the following rates:

<u>DAC</u>	<u>Maximum Induction Quantity (per week)</u>
0 - 40	0
41 - 47	1
48 - 54	1
55 - 61	4
62 - 68	4
<u>DAC</u>	<u>Induction Quantity (per RRAD business day)</u>
69 +	2

\* Text added or revised by modification P00003.

\*\*\* END OF NARRATIVE C0001 \*\*\*